ITEM: 22

SUBJECT: Cease and Desist Order

BOARD ACTION: Consideration of Cease and Desist Order

BACKGROUND: **EXXONMOBIL PRODUCTION COMPANY, HILL LEASE, SOUTH**

BELRIDGE OIL FIELD TO CEASE AND DESIST FROM DISCHARGING

CONTRARY TO WDRs, Kern County

ExxonMobil Production Company (ExxonMobil) discharges non-hazardous oil field produced water and filter backwash water to four surface impoundments at the Hill Lease, South Belridge Oil Field, Kern County. Waste Discharge Requirements (WDRs) Order No. R5-2004-0080, among other things, contains a time schedule requiring ExxonMobil to cease discharging by 30 June 2006.

ExxonMobil has stated that additional time is needed to meet the cease discharge date because: (1) the initial engineering technology selected was later determined to be inadequate for treatment system requirements; and, (2) the impacts on engineering and personnel resources and equipment manufacturing firms caused by the Gulf Coast hurricanes during 2005 have increased the lead time needed to receive and install treatment system equipment.

The Cease and Desist Order contains a new compliance date for ExxonMobil to cease discharging wastewater to the impoundments by 31 December 2006 and submit a Final Report, which includes a Corrective Action Plan, by 28 February 2007. The Cease and Desist Order is being proposed because ExxonMobil will be in violation of the WDRs for failure to comply with the cease discharge date of 30 June 2006.

| ISSUES: | Adopt the proposed order. |
|--------------|---------------------------|
| Mgmt. Review | |
| Legal Review | |

22 June 2006 Central Valley Regional Water Quality Control Board 11020 Sun Center Drive, No. 200 Rancho Cordova, CA